



HEALTH CARE REFORM FOR MEDICARE AND SENIORS

How Health Care Reform will lower costs, provide secure coverage for seniors

Consumer Protections

- Prohibits insurance companies from placing annual or lifetime limits on coverage
- Bans mid-year benefit changes, preventing “bait and switch” tactics of insurance companies
- Prohibits insurance companies from rescinding insurance after a beneficiary becomes ill
- Eliminates deductibles and co-payments for preventative services, requiring Medicare to cover 100 percent of the costs.

Making Prescription Drugs More Affordable & Closes the “Donut Hole”

- Begins closing the Medicare Part D “donut hole” immediately – reduces the donut hole by \$250 and institutes a 50% discount on brand-name drugs except for people who already receive low-income subsidies and persons with incomes in excess of \$85,000 (individual) and \$170,000 (couples)
- Closes the Medicare Part D “donut hole” completely by 2020
- A typical senior who hits the donut hole will save over \$700 in 2011, and over \$3,000 by 2020
- Allows for greater access to generic and bio-similar drugs, which creates competition, lowers prices, and saves Medicare \$7 billion over ten years.

Improves Overall Healthcare Services for Seniors - Making Medicare Stronger, More Efficient

Extends Medicare Solvency and Supported by AARP

Extends the solvency of the Medicare Trust Fund by over nine years. This strengthens Medicare’s financial health and protects both beneficiaries and taxpayers. AARP supports the reform legislation, saying “Guaranteed benefits through Medicare—a lifeline to care for millions of older Americans—will be strengthened and protected. It includes prevention services that will now be free and that will help save lives. It ends insurance company abuses, such as denying coverage based on existing health problems, and limits insurers’ ability to charge higher premiums based solely on age.”

Fights Waste, Fraud and Abuse in the Medicare System

The Congressional Budget Office estimates that for every \$1 invested to fight fraud, approximately \$1.75 is saved. The bill provides \$1 billion over the next ten years to eliminate fraud.